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SUBJECT: Southern Sudan: MoF Officials Investigated for Corruption

¶1. Summary: Five high-ranking officials in the Government of Southern Sudan (GoSS) Ministry of Finance and Economic Planning (MoF), including both under secretaries, have been suspended pending a corruption investigation into procurement irregularities and possible embezzlement of customs duties. The suspensions, ordered by a GoSS presidential decree on October 29, names an investigative commission and sets a November 10 deadline for determining if there is enough evidence to pursue a case. While there have long been allegations of corruption in the MoF, the timing may be related to an attempt by the minister to deflect blame ahead of a legislative investigation. End Summary.

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Of Cars and Customs  
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¶2. The charges against Under Secretary of Finance Isaac Makur relate to the misprocurement of over 100 Toyota trucks. Records indicate the government paid USD90,000 each for the trucks, whose actual cost in Juba is around USD45,000.

¶3. The other officials are being investigated under allegations that exemptions were improperly granted and that none of the customs duties that have been collected over the past year have made it into the treasury. These officials are Under Secretary for Economic Planning Francis Lotio, his two directors, Director for Budget Peter Lany and Director for Taxation Michael Abola, and Deputy Director for Taxation Tilet Plating.

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Real Problem: Lack of Systems  
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¶4. The Acting Under Secretary at the MoF, Agarey Tisa, explained that the Ministry is now working to establish clear guidelines on procurement and the handling of tax receipts, which did not exist before. For example, he pointed out that at least six different agencies were directly ordering customs officers to provide exemptions: the GoSS MoF, the national MoF, the GoSS Ministry of Regional Cooperation, the national Ministry of Foreign Affairs, and both the northern and southern agencies responsible for regulating NGOs. The MoF is also now trying to harmonize the old SPLM tax structures with those of the Government of National Unity (GNU).

¶5. Several government officials confided in PolOff that this same lack of systems and record-keeping will make pursuing these cases more difficult for the investigating commission and that at least some of these officials will likely be cleared. While it is clear the government overpaid for the vehicles and mishandled the taxes, the commission must not only prove that the officials involved were responsible, but that the acts were corruption and not incompetence due to a lack of guidance.

¶6. The commission is led by Under Secretary for Legal Affairs Majok Mading Majok, and made up of the chair of the Anti-Corruption Commission, the Director of Police in the Ministry of Internal Affairs, and representatives from both the Ministry of Labor and an organization that represents civil servants. The Anti-Corruption Commission is not leading the investigation due to a serious lack of

capacity, although observers have noted that it will be difficult for the Ministry of Legal Affairs to lead an investigation in which it may be called as a witness.

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A Deflection That May Ricochet Back  
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17. In early October, the Southern Sudan Legislative Assembly (SSLA) announced it had formed two committees to investigate these same allegations. Shortly after the committees were formed, Minister of Finance Arthur Chol sent a letter to GoSS President Salva Kiir explaining he was firing these five officials for corruption. A member of the SSLA told PolOff that he believes this was an ill-conceived attempt by the minister to preempt the investigations and deflect attention away from himself. President Kiir responded that public officials cannot be dismissed without due process and ordered the public investigation. Several government officials, including a member of the investigation commission, confirmed that the investigation will go where the evidence leads, even if that is beyond the currently accused individuals.

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